## STATE OF CALIFORNIA BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY DEPARTMENT OF BUSINESS OVERSIGHT

TO: Addrell Ray Brewer aka Drew Brewer iNET Entertainment LLC 136 Oak Avenue San Anselmo, CA 94960

## DESIST AND REFRAIN ORDER (For violations of sections 25110 and 25401 of the Corporations Code)

The Commissioner of Business Oversight finds that:

- 1. At all relevant times, iNET Entertainment LLC ("iNET") was a California Corporation, with a business address of 136 Oak Avenue, San Anselmo, CA 94960. The registered agent for iNet is Maggie Scott, 24 Sunnyside Avenue, Mill Valley, CA 94941.
  - 2. Addrell Ray Brewer, also known as Drew Brewer ("Brewer"), is the founder of iNet.
- 3. On April 29, 2011, Brewer and iNet entered into a contract with an Antioch, California resident ("Resident"). The agreement provided that the Resident would pay \$5000.00 to Brewer and iNet for the production of twelve episodes of an internet television series. The agreement stated that the television series had an anticipated internet viewership of twenty million viewers, and that each show would "feature over 20 business opportunities, products and services." Of the Resident's \$5000.00 payment, \$3600.00 was to be provided by the Resident in cash and the balance (\$1400.00) was to be charged to the Resident's credit card. In exchange for this payment, the Resident would receive \$5,000.00 plus 10% interest within sixty days. The agreement also provided that the Resident would receive a 10% profit share of the earnings received from the internet television series, and that Brewer and iNET would pay all minimum charges on the Resident's credit card. The agreement, characterized as a "loan," was "personally guaranteed by Drew A.R. Brewer." No property secured the money to be invested by the Resident.
- 4. After the Resident signed the agreement, Brewer made numerous unauthorized charges to the Resident's credit cards, including personal expenditures, with the total exceeding the

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\$1400.00 contemplated by the April 29, 2011 agreement. No episode of the internet television series that Brewer promised was ever posted publicly online.

- 5. Through the April 29, 2011 agreement, iNET and Brewer offered and sold an unqualified, non-exempt security in violation of the Corporate Securities Law of 1968.
- 6. Through the April 29, 2011 agreement, iNet and Brewer also sold a security by means of written or oral communications which included untrue statements of material fact or omitted material facts necessary to make their offer not misleading under the circumstances under which it was made. These misstatements and ommissions included Brewer's claims that the Resident's funds would be used for the production of a television series, when in fact Brewer used the money for personal expenses and did not produce the television series.
- 7. Based on the foregoing findings, the Commissioner of Business Oversight is of the opinion that the April 29, 2011 agreement was a security subject to qualification under the Corporate Securities Law of 1968 that was offered and sold without being qualified, in violation of Corporations Code section 25110.
- 8. Pursuant to section 25532 of the Corporate Securities Law of 1968, iNET Entertainment LLC and Addrell Ray Brewer aka Drew Brewer are hereby ordered to desist and refrain from the further offer or sale in the State of California of any security, including, but not limited to securities relating to online entertainment and marketing products, unless and until qualification has been made under said law or unless exempt.
- 9. The Commissioner of Business Oversight is also of the opinion that the security issued by iNET and Brewer through the April 29, 2011 transaction was offered and sold in this state by means of written or oral communications that included untrue statements of material fact and that omitted material facts necessary to make the offers not misleading in light of the circumstances under which they were made, in violation of section 25401, subdivision (b) of the Corporate Securities Law of 1968.
- 10. Pursuant to section 25532 of the Corporate Securities Law of 1968, iNET Entertainment LLC and Addrell Ray Brewer aka Drew Brewer are hereby ordered to desist and refrain from offering or selling any security, including, but not limited to securities relating to online

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